

RAILROAD SIDE OF COAL RATES

S. V. Derrah of Rio Grande and
J. A. Reeves of Short
Line Talk.

SOME IDEAS ARE CORRECTED.

Black Coal for Manufacturing Delivered for \$2.90 Per Ton—Who Makes High Price of Coal?

Following out the well recognized policy of the Deseret News in giving both sides a fair hearing in all controversies of public interest, this paper requested S. V. Derrah, assistant general freight agent of the Denver & Rio Grande railroad, and J. A. Reeves, general freight agent of the Oregon Short Line to give the railroad's side of the present coal rate controversy. The articles were to have been published with the account of the mass meeting in the Commercial club, which appeared yesterday, but a rush of matter rendered this impracticable. Both Mr. Derrah and Mr. Reeves responded and sent their communications in Thursday morning. They are given herewith:

MR. DERRAH'S REPLY.
"My fortunes are cast with the people of Utah, with whom I have resided for something over 11 years, and I yield to no man in loyalty to the state. My opinion is that the present coal rates are excessive and uneconomical. I have acquired a modest home in Salt Lake City, and, in a small way, am a property owner and taxpayer; hence I am personally, and may say vitally interested in every movement, public or otherwise, that may make for the benefit, or to the detriment, of the citizens of our city and state, and, in my opinion, the advertisement to the world which was announced and signed by last night's mass meeting at the Commercial club was a knock at Utah as a ponderous and disastrous that it will take years of publicity labors to overcome or neutralize its effect."

"It was an announcement to the world that Salt Lake City and Utah are suffering from oppressive freight rates on coal shipments, and the insidious, misleading statements made by a majority of the speakers were efforts to confirm this. It was stated time and again that various prospective factories had been kept away from Utah for the reason that they could not afford to pay \$5.75 per ton for fuel, and yet the gentlemen making those statements, or at least a majority of them, well knew that a modern factory of any kind in these days of economic operations would find a location accessible to the railroad tracks, and would pay not to exceed \$1.40 a ton for its fuel. A portion of that haul is over a 4 1/2 per cent grade, where it requires two, and often three, standard engines to pull the train. After the coal is loaded it is hauled to destination—another 113 miles—over a 2 1/2 per cent grade for some of the distance, the total distance the coal having traveled being 236 miles. Now, in view of the service, which exceeds, so far as I have knowledge, the expense of transportation of coal over any standard gauge railroad in the United States, I would like to ask if the freight rate should properly be considered excessive, and if the Denver & Rio Grande road should be held responsible for the fact that sacked coal is sold delivered in Salt Lake City for \$2.90 per ton."

"The call for the meeting seems to have been inspired for the purpose of making a vicious attack on the Denver & Rio Grande railroad, as its purpose was to consider 'Oppressive and excessive freight rates on coal' and not a word contained therein as to the extent the freight rate is responsible for the price of coal delivered at Utah points. While the speakers were profuse in their allegations that the rates were too high, not one of them conceded that possibly the cost of the expensive service involved should be considered. Now, let us look into this feature of the case:

"To bring a load of domestic coal to Salt Lake City from the present shipping point, namely, Clear Creek, it is necessary to haul an empty car from Salt Lake City to the mines, a distance of 15 miles. A portion of that haul is over a 4 1/2 per cent grade, where it requires two, and often three, standard engines to pull the train. After the car is loaded it is hauled to destination—another 113 miles—over a 2 1/2 per cent grade for some of the distance, the total distance the coal having traveled being 236 miles. Now, in view of the service, which exceeds, so far as I have knowledge, the expense of transportation of coal over any standard gauge railroad in the United States, I would like to ask if the freight rate should properly be considered excessive, and if the Denver & Rio Grande road should be held responsible for the fact that sacked coal is sold delivered in Salt Lake City for \$2.90 per ton."

"While the meeting was regaled with profuse and well-deserved compliments directed at the former owners and management of the D. & R. G. railroad, none of the speakers thought it of consequence to inquire why in their long administration of this property and at a time when every article or commodity entering into the construction, operation, and maintenance of a railroad was anywhere from 25 to 100 per cent cheaper than now, that it remained for the present administration to reduce the freight rate on domestic coal from \$2 a ton to \$1.75 a ton."

WHAT ROAD IS DOING.

"No attempt having been made to analyze the cost of service or the fairness of the current freight rates, does the Denver & Rio Grande Railroad deserve the treatment it received last night at the hands of the Salt Lake City Commercial club freight traffic bureau? Should it not be entitled to some consideration for what it has done and is doing for our state? It is, of course, commonly known that the Western Pacific Railway was projected and built by Denver & Rio Grande interests at a cost approximating \$75,000,000. That company is expending something like one and a half million dollars in terminals and the building of a passenger station in Salt Lake City that would be a credit to any metropolis. Its monthly net earnings approximated \$300,000, and the building of extensive machine shops that will require an expenditure of over a million dollars is in contemplation. Surely there is no danger so imminent no peril so great as to justify the calling of a mass meeting in Salt Lake City to force a reduction of its necessary earnings on one of its principal tonnage commodities."

"As to the mileage basis of coal rates demanded by the bureau, it is so absurd that it is not worthy of the consideration of any thinking, sensible business man. It would mean that the mines located farthest from a common market must pay a higher rate than those less remote, and if that principle were observed in the making of other commodity rates, it would close every manufacturing industry in Utah. It would mean that the freight rate from the Independent Coal company's mine at Helper must be higher than from the mines at Castle Gate; that the coal mines near Price must pay more than the mines at Helper, and it should be apparent that if this basis were carried out, the mines at still more distant points, such as Panguitch, would absolutely be driven out of business."

RAILROADS FIND MARKETS.

Why wasn't some mention made of

the fact that the railroad freight rates permit the sugar factories and the canneries of Utah to find markets for their products in Mississippi territory and beyond; why was it not shown that the products of our mines find markets in Texas and other distant territories; why no reference to the fact that the products of our cement and plaster companies compete in the markets of Oregon and on the Pacific coast; why in a spirit of fairness was it not stated by the gentleman acquainted with the facts that over 50 per cent of the coal coming to Utah was used by large industrial plants who have made no protest against the current rates and who had no voice in last night's meeting? I have no desire to engage in a newspaper controversy on the subject of coal or other freight rates, but you have asked for an expression of my views in regard to the mass meeting held here last night, and I have given them to you as faithfully as I can in this brief time."

"In conclusion I wish to state in emphatic terms that the freight rates on coal suggested at last night's meeting are materially less than the actual cost of transportation, and their enforcement would simply paralyze the service and cripple the efficiency of the Denver & Rio Grande railroad, unless it should be permitted to recoup its losses from other sources than the transportation of coal."

MR. REEVES' LETTER.

"I was unable to attend the meeting last night but have read something of the proceedings. Mr. Derrah seems to have pretty well covered the field as far as there is anything to be said at this time by the railroads. The D. & R. G. is, of course, the line primarily concerned, and the O. S. L. and U. P. companies have only a secondary interest. We, of course, because of the rates established here which we could not afford to meet for our much longer haul, which must necessarily shut coal shippers on our line out of the Utah market except in so far as people would pay a higher price for Wyoming coal shipped on our line, would do that except in times of coal shortage, which are the very times our Wyoming producers would not be seeking the Utah market, because they would have their regular customers elsewhere who would naturally demand that they be taken care of first."

"This aspect of the matter serves to illustrate the principle of railroad rate making. Our rates are based primarily on what the market needs, and to take him to the market. That is the policy that stimulates production, not only of coal, but of sugar, cement, lime, brick, plaster, salt, canned goods, pickles and vinegar, ore and bullion, and a great many other industries. I might name, the great agricultural, horticultural and stock raising industries that lie under and back of it all. The railroad needs prosperous producers for customers and so does the merchant

and real estate man. The producers' prosperity is the foundation of all prosperity, and it is a mistake to think that we do not have that in view and do all we can to strengthen that foundation. It was supposed, I think, that it had been stated that dozens of manufacturing plants had closed down. I never heard of it and doubt if the gentlemen making those statements could name the concerns to save their lives. As far as we are concerned, we know that new plants are continually opening up and we have not learned of any which have closed, because of price of coal or any other reason."

"Now coal used by industries is steam coal. The industries are located on side tracks where they have no team haul and they buy slack coal by the carload. I understand, at \$5 per ton, or under. It is unfair to compare carload steam coal prices in eastern cities with wagonload lump coal price delivered to family residences here. Whether fully or not, it is misleading and it is not fair to the city or the state any more than to the railroads and we don't like to see such statements go out. Furthermore, some of this Missouri and Iowa coal that was mentioned does not compare ton for ton with Utah coal. If it could be had here people wouldn't buy it. We tried that in Idaho a few years ago during a coal shortage. Even at that time the people refused to buy the eastern coal unless it could be had much cheaper than Utah or Wyoming coal, because it was of poorer quality and they didn't like it."

WHO MAKES PRICE?

"We do not think the price of coal to families here unusual or unreasonable. It is made up as follows:

Mine price \$2.25
Freight 1.75
Freight for handling and delivering 1.75
Total \$5.75

"If sacked, 50 cents extra. That is, the handling in the city costs as much as the freight rates. From June 15 to Aug. 15 the railroads are making a summer rate of \$1.50 in the hope of inducing an accumulation of coal for winter use. I understand the dealers will pass this concession along to the consumer. I hope also that the mines will make some concession during the same period, but have not learned whether they can do so."

"The rates asked of the D. & R. G. are about one-half cent per ton per mile. I am quite sure that ton could not live on such rates and I am very certain if they made them the O. S. L. and U. P. could not meet them for our longer distances."

CALIFORNIA.

and return \$40.00 round trip via Salt Lake Route. Through service resumed June 11th. Tickets and information city ticket office, 169 Main street. Bell phone, exchange 16, independent 1988.

LEAVE INSTITUTE WITH HIGH HONORS

Six Are Graduated, Each Delivering Fine Oration in Splendid Style—Excellent Music.

The Salt Lake Collegiate institute held its twenty-sixth annual commencement exercises Thursday evening in the First Congregational church, when five young women and one young man were graduated with honors, and an excellent program. The efforts of the orators were of special interest, in that they were without a hitch or slip, for the memorizing was perfect, and the painful episodes that sometimes occur at commencements, where speakers are seized with stage fright and get mixed up, or have imperfectly memorized their compositions, were noticeable in this instance by their absence. The speakers appeared not only to have good command of themselves, but their orations gave evidence of mature thought, being philosophical in treatment andJeffrey with ideas clear and practical, showing the speakers to be posted on the trend of current history and its bearing on human experience in the more prominent activities of life.

The orations were as follows: "A Plea for Christian Colleges," by Miss Ida D. Murphy, daughter of Rev. William Murphy of American Fork; "Guarantee of Bank Deposits," by Frank C. Vibrams of Cokeville, Wyo.; "The First Citizen of Chicago," by Miss Margaret G. Lee of Spanish Fork; "The Children of Destiny," Orpha A. Kiser of Salt Lake City; "Books as Friends," by Miss Edith Jeffrey of Bingham Canyon; "Mark Twain," by Miss Margaret White Whitman of Montpelier, Ida. Miss Murphy made a specially good impression because of her mental alertness and mastery of her topic. If her health holds out, she ought to be heard from later in the educational field. Miss Kiser completed both the classical and scientific curricula, taking a diploma in both.

The vocal and instrumental soloists, Misses Kiser, Sponberg and Tupper, the two latter from Montpelier, Idaho, did excellent work. Miss Sponberg distinguished herself both at the piano and in song. The chorus work also was very good. Principal Vezay presented the diplomas, and the medals for athletic merit in the field exercises. Victor H. Wood was given the first

with 40 points; and as Ben Thompson and Leslie Johnson tied for second place with 35 points, lots were drawn, resulting in favor of the former. The exercises of the evening closed with benediction by Rev. Dr. Faden.

SCHOOL TERMS 1916-1917.

Year Begins Aug. 29, and Closes June 9—Week's Holiday Twice.

The board of education has fixed the 1916-17 school calendar as follows:

First semester, 20 weeks, excluding one week at Christmas (Dec. 25 to 30, inclusive)—First term begins Monday, Aug. 29, closes Friday, Nov. 4; second term begins Monday, Nov. 7, closes Friday, Jan. 6.

Holidays, etc.—Fair day, Friday, Oct. 7; Thanksgiving recess, Thursday and Friday, Nov. 24 and 25; Christmas holidays begin Dec. 22 and end Jan. 2; Lincoln's birthday, Feb. 12, falls on Sunday, and Monday is therefore the legal holiday; Washington's birthday, Wednesday, Feb. 22; Arbor day, April 15, falls on Saturday; Decoration day, Tuesday, May 30; Field day, Friday, June 2.

Meetings, etc.—Teachers' examination, Monday and Tuesday, Aug. 22 and 23; Lafayette school; meeting of principals and supervisors, Monday, Aug. 22, 9 a.m., room 204 city and county building; general meeting of teachers, Saturday, Aug. 27, 10 a.m., Lafayette school; meeting of principals and teachers in their respective buildings at 2 p.m., Saturday, Aug. 27; entrance examinations for high school, Wednesday, Aug. 24, 9 a.m., room 204 city and county building.

HONOR TO MRS. HENRY.

Reception at Commercial Club Was Pleasant and Appropriate Affair.

The reception given at the Commercial club Thursday evening in honor of Mrs. Della R. Henry of Kansas City, Mo., national president of the Ladies of the G. A. R., was one of the most brilliant affairs of the kind held in Salt Lake for some time. Speeches, instrumental music and refreshments made up a very enjoyable evening's program. Among those present were Gov. William B. Cory, who delivered a timely address, and Col. M. M. Kalign, who spoke in his customary happy vein. Mrs. Henry showed her appreciation of the occasion in a pleasant little talk. Many prominent members of the local

G. A. R. post, the Ladies G. A. R. the Women's Relief corps, Spanish war veterans and Sons and Daughters of the Veterans were present.

Mrs. Henry says there are 6,000 members in the national organization, they are now erecting numerous homes in all parts of the United States for the veterans and their wives. She will leave Salt Lake for the coast Sunday. It was in Salt Lake that Mrs. Henry was elected president of this large body of women.

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Saltair Popular Day Saturday, Band and Orchestra.

Interesting to Mothers

Another Important Siegel
Special from the Juvenile
Section

Friday and Saturday

Boys' Woolen Summer Suits

Nobbiest line of patterns and shades in jacket and pants suits—double breasted Norfolk styles—knickerbocker trousers—ages 6 to 16—recognized values to \$5.50. Two days only you may fit your boy at—

\$3.15

Siegel's

We close at 9 P. M. Saturdays.



Stirring Specials for Saturday, But You Must Shop Before 1 P. M.

Saturday, June 11, marks the beginning of the half holidays—

Following the custom we inaugurated five years ago, we shall close every Saturday, during the heated term at 1 p. m.

Half holidays, however, can not interfere with business—we must now do a full Saturdays business in a half day.

To accomplish this result each department offers its best specials—good, of course, only for Saturday

Ladies' Lingerie and Linen Dresses
Values to \$40 Economy Saturday at \$9.75

Because we show so many hundreds of linen and lingerie dresses, some become slightly soiled and mussed from handling.

A slight pressing, however, will generally restore any garment back to its original freshness—and here's a saving to make the effort worth while.

The dresses are in the season's most approved styles, come in white and wanted colors. Values are \$20 to \$40. **\$9.75**

Waists at Half Price.

Broken lots bring broken prices on about 100 of our prettiest lingerie and linen waists. Some of sheer marquisettes, daintily hand-embroidered—other waists are hand-made and trimmed in Irish crochet, cluny and val. laces. Values from \$11 to \$20. Choose at just half the regular marked price \$5.50 to \$10.00.

Up to \$1.75 Corsets at 69c

All broken lots of corsets, worth up to \$1.75, brought together for Economy selling. Models for small and large figures. Made of coutil and batiste with hose supporters attached. Probably all sizes, but not in every style.

You can save Half and more by buying your Millinery before Saturday at 1 P. M.

Prices like these should compel early Saturday shopping—all white millinery, including trimmed and untrimmed hats, plumes, wings, trimmings, etc., are reduced a full forth.

On all colored millinery, including many pretty, exclusive summer styles, the reductions are half and more.

The White Sale and Saturday Early closing combine to bring unusual Underwear Values

You may share in these reductions on all white underwear only up to Saturday noon. As for these early Saturday specials, they won't linger at these prices:

35c vests 25c. 15c vests 9c.
35c tights 25c. 20c vests 13c.
65c corset cover, 50c.

65c union suit, tight and umbrella styles, 47c.
Out side ribbed vests, low neck, short sleeves, 15c, two for 25c.

Finest qualities of Swiss underwear, imported, nothing better made. Reductions are 10 per cent to 15 per cent. Other underwear also reduced. All these famous lines represented—Howard Mills, Kayser's Italian Silk, Carter's Underwear, Ruben's Infant Shirts.



ENGRAVING

All metals skillfully engraved and delivered to the moment promised.

A new assortment of pins just in—any purchase includes free engraving.



15c to 25c White Goods 10c

Dainty white lawns in smart check and stripe effects, and an all white pongee. But you must come early.

\$1.75 White Goods \$1.00

Our finest white wash goods included—French crepe, embroidered voile, embroidered and plain batistes and marquisettes, etc., 32 to 40 inches wide. None worth less than \$1.50, most of the pieces sold for \$1.75 a yard. Friday \$1.00.

Quilted Table Pads and Mattress Protectors.

\$2.75 quilted mattress protectors, 60x76 inches, \$2.20.
\$2.00 quilted mattress protectors, 42x76 inches, \$1.60.
\$2.50 quilted table pads, 54x72 inches, \$2.00.
\$1.95 quilted table pads, round, 54 inches in diameter, \$1.55.
Other sizes proportionately reduced.

50c to \$1.00 Embroidery 29c

Not short ends or remnants, but full pieces of 25 yards and more. Made of sheer Swiss, cambric and nainsook cloths, pretty embroidered designs, with open and blind edges.

35c Handkerchiefs 15c.

Ladies' handkerchiefs of fine sheet Swiss, with a quarter-inch hemstitched border. Embroidered corner.

98c Dutch Collars for \$2.00 and \$2.50

White only. Pretty designs in imitation Irish lace. All sizes and widths.

\$1.25 Collars 49c.

Dutch collars similar to above. Values from 85c to \$1.25.

\$1.25 Belts 29c.

Fancy elastic belts in all colors. Many of the buckles are worth more than the price asked.

15c.

for Ladies' 25c Dianna pad hose supporters.

Pillow Covers 35c

Extensive assortment of stenciled, embroidered and lithographed pillow covers, assorted sizes, already for use. Regularly worth 50c to 75c.

15c Muslins 10c

Regular 12 1/2-2c and 15 muslins, such as Lonsdale, Hill, Fruit of the Loom, 35 in. wide, 10c.

Turkish Towels

Every Turkish towel in the department is blue-powled. If the reductions seem small, remember they are on—standard towels which were already selling the lowest in the city. These are all bleached. Reductions are:

8 1/2-3c from 10c, 10c from 12 1/2-2c
12 1/2-2c from 15c, 17c from 20c,
50c from 65c, 60c from 75c.

Children's Dresses
75c values 49c



Only by shopping before 1 p. m. Saturday could you expect to get such neat tub dresses for so little. Made of sturdy percales and gingham in Russian and long waist effects. Choice of dark, light or medium colors. Sizes 2 to 6 years.

65c Rompers 49c

Made of soft chambray—well wearing, light and cool. Plain blue and small blue and white checks. Sizes 2 to 6 years.

\$2.50 Guimps 98c

Children's white guimps of a firm sheer lawn, prettily trimmed in lace, insertion and embroidery. Sizes 4 to 14 years. Regular price \$1.75 to \$2.50.

Boys' Knickerbockers \$1.00 and \$1.25 values, 75c

Boys' knickerbocker trousers made up in all wool fancy mixtures. Have patent waist band, side and hip pockets. Sizes 4 to 16 years.

Boys' Broad Brim Sailor Hats 98c

Fine split braid straws, leather sweat band. Red, navy and white silk bands. Values \$1.25 and \$1.50.



Two of these offerings are such rare values that we must limit the sale to an hour each.

\$6.00 Bag \$1.98.

Real leather large size shopping bag. Limit of sale from 9 a. m. to 10 a. m. One to a customer.

\$6.00 Seal Bag \$3.98.

Genuine Seal Bag, leather lined. German silver, gun metal and gilt casing spring and ball clasp. Only one to a customer. All bags from \$10 up reduced 25%